SECTION 2 - BUDGET RELATED RESOLUTIONS

The MFMA stipulates that the Mayor must table the annual budget at a council meeting at least 90 days before the start of the budget year and the Mayor must take all reasonable steps to ensure that the municipality approves its annual budget before the start of the budget year.

Council has approved the following resolutions at the Council meeting held on 28 May 2020:

1. That Council enter into negotiations with SALGA regarding the fees for 2020/2021.

2. That Council approve the Annual Budget of the Municipality for the financial year 2020/21 and indicative for the two projected outer years, 2021/22 and 2022/23, and the multi-year and single year capital appropriations as set out in the following schedules, after consideration of all public comments:

2.1. Budgeted Financial Performance (revenue and expenditure by standard classification) reflected in Table A2.

2.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as reflected in Table A3.

2.3. Budgeted Financial Performance (revenue by source and expenditure by type) as reflected in Table A4.

2.4. Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source as reflected in Table A5.

2.5. Capital detailed budget reflected in Annexure C.

3. That Council approve the property rates tariffs reflected in the 2020/21 Tariff list (Annexure A) and any other municipal tax reflected in the 2020/21 Tariff list to be imposed for the budget year 2020/21.

4. That Council approve the tariffs and charges, subsidies and discounts as reflected in the 2020/21 Tariff list (Annexure A) for the budget year 2020/21.

5. That Council approve the measurable performance objectives for revenue from each source and for each vote reflected in Section 17 of the budget document for the budget year 2020/21.

6. That Council approve the amended budget related Policies reflected in Annexure B for the budget year 2020/21.

6.1. That Council delegate the Municipal Manager to be the Chairperson of the Incentive Evaluation Committee;

6.2. That Council delegate the power to approve incentives in line with the Incentive Policy to the Municipal Manager;

6.3. That the respective Portfolio Councilors for Planning and Economic Development, Finance and Technical Services represent Council on the Incentive Evaluation Committee;

6.4. That Council delegate the finalisation and signing of Incentive Contracts, in line with the Policy, to the Municipal Manager.

7. That Council approve the filling of funded vacant posts as identified by the Executive Management and as shown in Section 12 of the budget document.

8. That Council take cognizance of the mSCOA implementation plan reflected in Annexure D.

9. That Council approve the Service Level Standards reflected in Section 20 of the budget document for the budget year 2020/21.

10. That all the above-mentioned documentation be amended to include all the amendments approved by Council from the public, departmental and other stakeholders' comments, objections and recommendations.

11. That Council approve adjustments to the Operating and Capital budgets that may arise from the mSCOA implementation process as long as the total budgets are not adjusted.

12. That Council approve that loans be obtained in order to fund the capital projects over the 2020/21 MTREF period as indicated on Annexure C (Capital Detailed Budget).

13. That the following further adjustments to the Budget be recommended to Council:

13.1 Reduce Service charges income by R12 008 100 in line with projected increase of 4000 new Indigent households. Increase from 7500 to 11500 indigent households.

13.2 Tariff increases to be adjusted to:
Property Rates = decrease from 10% to 7.5%
Electricity = remains on 6.22%
Water = increase from 5.8% to 6.5%
Refuse = decrease from 7% to 5%
Sanitation = remains on 5%

Revenue for 2021 MTREF period to be adjusted in line with these new tariff increases. The effect on the Revenue budget is that the revenue will be reduced with R4 394 109.

Debt impairment expenditure projections will decrease by R3 774 300.

Tariff list to be adjusted in line with tariff increase adjustments, taking into consideration the impact on tariff adjustments due to the implementation of the tariff restructuring.

13.3 Adjustment to Credit control policy:
We propose the following adjustments to Part 10 of the CUSTOMER CARE, CREDIT CONTROL, DEBT COLLECTION, INDIGENT AND TAMPERING POLICY as suggested in an Internal Audit Report on Indigent Households:

The following must be added:

"10.3.5 Indigent – Vacant Erven with a value up to R50 000
To qualify as an Indigent – Vacant Erven with a value up to R50 000, the erf must comply with the following criteria:
It must be a vacant residential (RESV) erf as categorised on the municipal valuation roll.
The value of the erf as per the municipal valuation roll must be R50 000 or less."

The following wording must be adjusted on 10.5.1 and 10.5.2 regarding the application for indigent households:

"The following items must accompany the application:
(a) The latest municipal account of the household; and"

Must be adjusted to:
"The following items must accompany the application:
(a) Municipal account number of the household; and"